

Petroglyph initiated a secondary recovery water flood program twenty years ago in the Antelope Creek field. The water flood was designed to recover additional oil from an approximate 2,000 foot multi-pay interval in the Green River formation. To date 111 wells have been permitted and converted to injection to support the secondary water flood program. Over fifty oil and gas bearing zones have been identified, with four to ten zones completed in each well. All of the 300+ wells drilled were completed using hydraulic fracking.

The permitting and conversion of the wells to injectors was done in roughly three different intervals. In the initial period from 1995 through 1999 when 39 wells were converted to injection with an average MAIP of 2146 psi and average Frac Gradient of 0.934. The second period was from 2000 through 2005 when 36 wells were converted with an average MAIP of 1879 psi and average Frac Gradient of 0.935. And the final period when 36 wells were converted was from 2006 to 2007 with an average MAIP of 1633 psi and average Frac Gradient of 0.977.

Illustrated in Exhibit A in each subsequent interval the MAIP (maximum allowable injection pressure) as approved in the permits declined significantly. The first group of wells the MAIP was based on the fracture gradient as determined by using the instantaneous shut in pressure. The second and third groups do not appear to use actual fracture gradients to calculated MAIP.

The goal of setting a maximum allowable pressure is to prevent injection water from being forced out of formation into shallow ground water. Therefore only the shallowest zone injected into should be used to calculate MAIP. Using the fracture gradient of the shallowest to calculate the MAIP would support ground water protection.

A significant amount of fracture gradient data is available from ~300 wells, each of which was fracked.

Exhibit B compares the permitted MAIP to a calculation of maximum injection pressure based on actual fracture gradients of the shallowest zone. In the second and third permitting periods significant differences are illustrated between the allowable MAIP and a calculated MAIP based on actual fracture gradient.

A another illustration is exhibit C which is a map, color coded by MAIP, showing the low MAIP wells are next to Higher MAIP wells. This illustrated the varying MAIP's are not based on location in the field.

Petroglyph's plan is to initiate a fourth round of well conversions to injectors and would like to understand how the MAIP will be calculated for the new conversions. Petroglyph is proposing that the calculation be based on fracture gradient of the shallowest zone. Petroglyph is also requesting that the MAIP of wells in second and third groups be recalculated so the whole field has the same basis of calculation.

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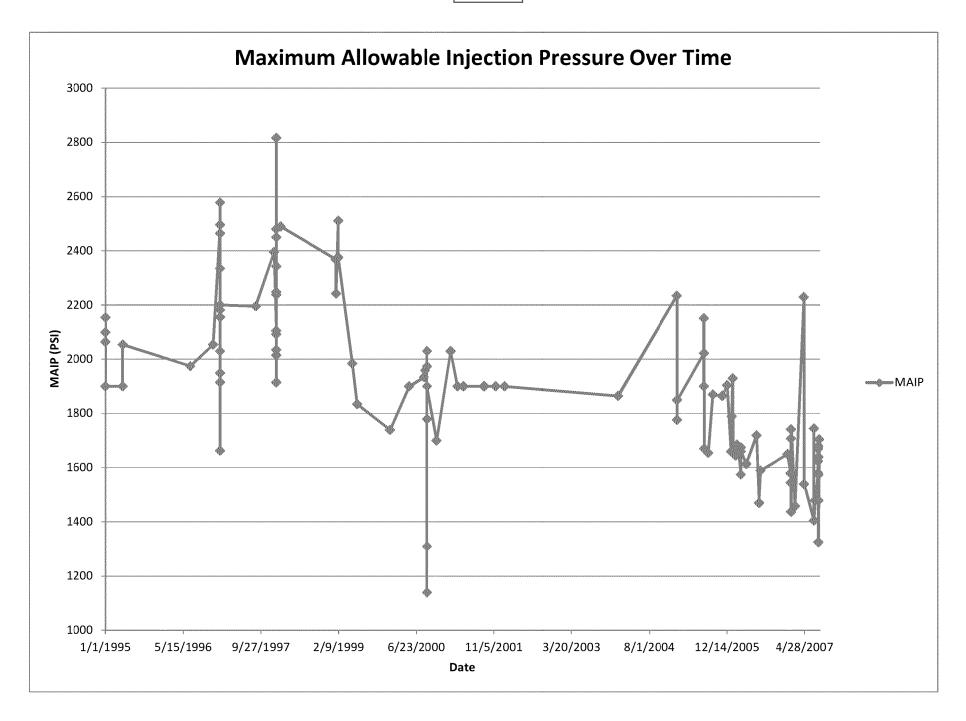


Exhibit B

					EXHIDI			DCEL Cala		
Well	First Date			Ton		EPA Frac Grad(ass		PGEI Calc Frac		Calc
Name	of Injection	Voor	Act MAID	Top Perf	Zone	ume SG)	ISIP	Grad	SG	MAIP
08-04	1/1/1995		2065		B06.2	0.96		0.97586	1.015	2131.5
08-06	1/1/1995		2155		C05.2	0.91	1780	0.83605	1.015	1806.7
18-02	1/1/1995		1900		B06.2	0.92		#VALUE!	1.015	#VALUE!
18-09	1/1/1995		2100	4442		0.91	2200	0.9422	1.015	2233
05-10	4/21/1995		2055		B08.1	0.90	1620	0.811	1.015	1644.3
29-09	4/21/1995		1900	4773	C06	0.84	1834	0.8295	1.015	1861.51
04-01	6/30/1996		1975	5082	C08.2	0.83	1700	0.77903	1.015	1725.5
05-08	11/25/1996	1996	2055	4283	B06.2	0.92	2135	0.94545	1.015	2167.025
05-16	1/8/1997	1997	1950	4816	C05.2	0.84	2070	0.87576	1.015	2101.05
08-07	1/8/1997	1997	2579	4399	B10.2	1.03	2016	0.90466	1.015	2046.24
18-08	1/8/1997	1997	2030	4384	C04	0.90	2377	0.98983	1.015	2412.655
18-15	1/8/1997	1997	2156	3862	B06.3	1.00	2010	0.96776	1.015	2040.15
19-03	1/8/1997	1997	2465	4078	B11	1.04	2906	1.16279	1.015	2949.59
21-06	1/8/1997	1997	2183	4698	C04	0.90	1820	0.8327	1.015	1847.3
28-03	1/8/1997	1997	2336	4634	C04	0.94	2000	0.87756	1.015	2030
28-06	1/8/1997	1997	1663	4659	C04	0.80	1850	0.84253	1.015	1877.75
29-08A	1/8/1997	1997	1915	4678		0.85	2910	1.07089	1.015	2953.65
30-01	1/8/1997	1997	2497	4830	C06	0.96	2572	0.97999	1.015	2610.58
30-08	1/8/1997		2201	4714		0.91	2201	0.91341	1.015	2234.015
21-11	8/23/1997		2196	4652		0.91	2197	0.91885	1.015	2229.955
16-11	12/19/1997		2396	4546	-	0.97		#VALUE!	1.015	#VALUE!
04-02	1/2/1998	_	2344	5360		0.88	2330	0.88072	1.015	2364.95
04-05	1/2/1998	_	1915		B06.2	0.88	2078	0.92683	1.015	2109.17
07-09	1/2/1998	_	2817		B08.1	1.12	3556	1.30671	1.015	3609.34
07-16	1/2/1998	_	2239	3975	_	1.00	2860	1.16978	1.015	2902.9
16-02	1/2/1998	_	2481	4535		0.99	2644	1.03126	1.015	2683.66
16-08	1/2/1998	_	2035	4552	_	0.89	1989	0.883	1.015	2018.835
16-16	1/2/1998		2093	4481		0.91	1900	0.86987	1.015	1928.5
21-03	1/2/1998		2451	4714		0.96	2422	0.96099	1.015	2458.33
28-05A	1/2/1998		2106		C05.2	0.89	1996	0.86836	1.015	2025.94
29-06	1/2/1998		2015		B08.1	0.91	1509	0.79453	1.015	1531.635
33-10D3	1/2/1998		2248	4474		0.94	2800	1.07472	1.015	2842
18-13 33-14 D3	1/30/1998 1/22/1999		2490 2369		B06.1 B06.2	1.07 0.99	2616 2840	1.11564 1.10522	1.015	2655.24 2882.6
18-05	1/23/1999		2369	4308		0.99	2335	0.98964	1.015	2370.025
33-08D3	2/6/1999		C: 300 (Complete District Art 8)		B06.2	0.90				
33-16D3	2/6/1999		2512	4592		0.99				programmy August Andrews Company of the Company
19-07	5/7/1999				C03.2	0.89				
19-01	6/7/1999			4035	_	0.89		#VALUE!	1.015	#VALUE!
19-13	1/5/2000		1740		B10.1	0.88	2852	1.17384		2894.78
29-12	5/7/2000		1900	4600		0.85	2135	0.91059		
19-11	8/11/2000			4421		0.88	2398	0.99004		2433.97
18-11	8/19/2000		1960	4736		0.85	2084	0.88613	1.015	2115.26
07-14	8/31/2000		1140	4103		0.72	2200	0.98373	1.015	2233
16-04	8/31/2000		1900		B10.1	0.86	2190	0.93522	1.015	
16-10	8/31/2000	_	2030	4542		0.89	2285	0.95012		
16-12	8/31/2000		1900	4261	B06.2	0.89	2067	0.93187		2098.005
19-09	8/31/2000	2000	1900	4736	C05	0.84	2243	0.92021	1.015	ROME TO STATE OF THE PROPERTY OF THE PARTY O
19-15	8/31/2000	2000	1900	4475	B10	0.86	2188	0.93577	1.015	2220.82
20-13	8/31/2000	2000	1974	4416	B10.1	0.89	2372	0.98469	1.015	2407.58
21-15	8/31/2000	2000	1900	4638	C04	0.85	2196	0.92008	1.015	2228.94
29-16	8/31/2000	2000	1780	4619	C04	0.82	2150	0.91195	1.015	2182.25
30-10	8/31/2000	2000	1310	4140	B05	0.76	3154	1.21276	1.015	3201.31
30-14	8/31/2000	2000	1900	4385	B10.1	0.87	3276	1.19779	1.015	3325.14
30-16	8/31/2000	_			B08.1	0.88	3162	1.18173	1.015	3209.43
29-03	11/1/2000		CONTROL OF THE PROPERTY OF THE	4064		0.86	1759	0.87881	1.015	1785.385
16-06	1/31/2001	_	2030	4511		0.89	2190	0.93226	1.015	2222.85
19-05	3/16/2001	_	1900		B10.1	0.90	2546	1.06948	1.015	2584.19
29-01	4/24/2001		1900	5014		0.82	2840	1.01441	1.015	2882.6
04-11	8/31/2001		1900	4383		0.87	2600	1.04159	1.015	2639
04-13	9/5/2001		1900		B06.2	0.88	2100	0.93681	1.015	2131.5
29-14	11/16/2001			4005		0.91	2420	1.0528		2456.3
15-12	1/14/2002	2002	1900	4328	B06.1	0.88	N/A	#VALUE!	1.015	#VALUE!

21-05	1/12/2004	2004	1865	4462	B11	0.86	1890	0.86943	1.015	1918.35
21-02	1/25/2005	2005	2235	4694	C04	0.92	2302	0.93726	1.015	2336.53
21-04	1/28/2005	2005	1777	4741	C05	0.81	2021	0.87217	1.015	2051.315
21-12	1/28/2005	2005	1850	4670	C04	0.84	2291	0.93743	1.015	2325.365
07-11	7/18/2005	2005	1900	4036	B06.1	0.91	1924	0.92336	1.015	1952.86
30-09	7/18/2005	2005	2152	4346	B08.2	0.93	1700	0.83653	1.015	1725.5
30-15	7/18/2005	2005	2023	3960	B00	0.95	N/A	#VALUE!	1.015	#VALUE!
29-05	7/22/2005	2005	1670	4226	B06	0.83	2080	0.93907	1.015	2111.2
29-04	8/16/2005	2005	1655	4574	C02	0.80	3061	1.11875	1.015	3106.915
21-13	9/14/2005	2005	1870	5107	D03.2	0.81	2500	0.93636	1.015	2537.5
16-09	11/14/2005	2005	1865	4778	C04	0.83	2351	0.93892	1.015	2386.265
16-03	12/15/2005	2005	1905	4540	B11	0.86	2530	1.00512	1.015	2567.95
16-01	1/9/2006	2006	1660	4547	B11	0.80	2796	1.06363	1.015	2837.94
16-13	1/13/2006	2006	1790	4790	C05	0.81	1930	0.84846	1.015	1958.95
16-15	1/19/2006	2006	1930	4543	B11	0.86	2266	0.94577	1.015	2299.99
16-07	1/24/2006	2006	1658	4528	B11	0.81	2240	0.94162	1.015	2273.6
16-14	2/6/2006	2006	1645	4485	B11	0.81	2030	0.8989	1.015	2060.45
21-14	2/17/2006	2006	1685	4628	C04	0.80	2110	0.90225	1.015	2141.65
09-15	2/27/2006	2006	1660	4543	B11	0.80	1980	0.88187	1.015	2009.7
17-01	3/13/2006	2006	1660	4542	B11	0.80	2100	0.90878	1.015	2131.5
18-03	3/13/2006	2006	1675	4580	C04	0.81	3100	1.1265	1.015	3146.5
18-06	3/13/2006	2006	1575	4312	B10	0.80	2524	1.03362	1.015	2561.86
16-05	4/17/2006	2006	1614	4408	B08.1	0.81	2841	1.09367	1.015	2883.615
18-07	6/22/2006	2006	1720	4698	C08.2	0.81	2357	0.94872	1.015	2392.355
18-01	7/8/2006	2006	1470	4026	B07.2	0.80	N/A	#VALUE!	1.015	#VALUE!
18-12	7/17/2006	2006	1590	4351	B10	0.80	2150	0.94105	1.015	2182.25
18-10	1/10/2007	2007	1650	4519	C06	0.80	2174	0.92779	1.015	2206.61
19-16	1/30/2007	2007	1580	4332	B07.2	0.80	2900	1.11897	1.015	2943.5
20-14	1/31/2007	2007	1545	4226	B06.3	0.81	2212	0.97077	1.015	2245.18
21-07	2/1/2007	2007	1708	4666	C04	0.81	N/A	#VALUE!	1.015	#VALUE!
21-10	2/1/2007	2007	1437	4650	C04	0.75	1972	0.86994	1.015	2001.58
30-07	2/2/2007	2007	1742	4635	C04	0.82	N/A	#VALUE!	1.015	#VALUE!
29-13	2/26/2007	2007	1458	4016	B02	0.80	2398	1.04556	1.015	2433.97
03-14	4/23/2007	2007	2230	4314	B05	0.96	2250	0.96888	1.015	2283.75
29-11	4/25/2007	2007	1540	4246	B08.1	0.80	3250	1.2164	1.015	3298.75
18-14	6/27/2007	2007	1405	3873	B06.2	0.80	1877	0.9314	1.015	1905.155
28-11	6/27/2007	2007	1745	4809	C08.1	0.80	2001	0.86183	1.015	2031.015
29-10	6/27/2007	2007	1405	4338		0.76	2375	0.99519	1.015	2410.625
07-15	7/4/2007	2007	1480	4080	B06.1	0.80	2864	1.15199	1.015	2906.96
18-16	7/23/2007	2007	1580	4354	B12	0.80	2405	1.00015	1.015	2441.075
28-04	7/23/2007	2007	1670	4612	C05	0.80	2330	0.95228	1.015	2364.95
30-02	7/23/2007	2007	1625	4478		0.80	N/A	#VALUE!	1.015	#VALUE!
20-02	7/25/2007	2007	1640	4527	B11	0.80	2300	0.95518	1.015	2334.5
29-07	7/25/2007	2007	1480	4080	B05	0.80	2110	0.95491	1.005	2120.55
29-08	7/25/2007	2007	1680	4630	C05	0.80	2000	0.87794	1.015	2030
29-15	7/25/2007	2007	1575	4341	B10	0.80	2498	1.02357	1.015	2535.47
29-02	7/26/2007	2007	1325	4511	B12	0.73	2864	1.08391	1.015	2906.96
28-05	8/1/2007	2007	1705	4708	C05.2	0.80	2230	0.92026	1.015	2263.45

